OUTGOING TELEGRAM Department of State

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WHB RMR LIMITED OFFICIAL USE

Oct 2 ACTION: Amembassy, PANAHA 157 Amembassy, TEGUCIGALPA DFO: Amembassy, ATHENS (by pouch) Amembassy, HEIRUT (by pouch) Amembassy, BONN (by pauch) Amembassy, COPENHAGEN (by pouch) Amembassy, LONDON (by pouch) Amembassy, MONROVIA (by pouch) Amembassy, OSLO (by pouch) Amembassy, PARIS TOPOL (by pouch) Amembassy, ROME (by pouch)

US Transportation Order T-1 amended September 13 to prohibit US-flag ships transport Positive List, Munitions List, Atomic Energy commodities to Cuba. Addresses posts should approach host governments to request institution similar shipping controls. It would be highly desirable that controls be enforced by requiring prior approval all voyages to Cuba. US has long had licensing controls on charters to Soviet Bloc and extended charter licensing controls to Cuban trade in October 1960. Voyage or charter licensing provides more effective and flexible control machinery than public decree enforced only by good faith of shipowners.

Department has made similar approach to Liberia and expects that country will institute new controls in near future. Discussions on restriction Cuban shipping also being held with major European shipping nations. Germany imposed has already/charter licensing controls on Cuban trade and other governments making approaches to shipowners. USG

Drafted by Telegraphic transmission and EADC: JMSmith: cro 10-2-62 destification approved by: E/MOC - Robert B. Wright SH - Mr. Ernst(in draft) U - Mr. Springsteen L - Mr. Chayes CMA - Mr. Follestad RPM-Fir. Van hellen REPRODUCTION FROM THIS COPY IS PROHIBITED OAP - Mr. McManus OAP - Mr. Chaptia Wil UNLESS "UNCLASSIFIED". LIMITED OFFICIAL USE

FORM DS-322

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USG primarily interested in restricting use of free world ships in carriage Soviet blac cargoes to Cuba. No Rpt No Panamanian ships known to have carried Soviet bloc cargoes to Cuba in 1962. Panamanian ships PEDEO CAMPEBLL and SAINT JAMES went to Cuba from US and Japan respectively. Possibly carried Cuban sugar to bloc. Honduran ANNITSA A. went to Cuba from Netherlands in April and now enroute Novovossisk to Havana, cargo unknown. Institution new shipping controls as requested by US would prevent carriage Sovies arms or other cargoes to Cuba, which not upt not now prohibited by Panamanian or Honduran shipping decrees. Would also help defend Panama and Honduras from irresponsible attacks being made in many quarters on flags of convenience and would be important as indication determination those countries abstain from assisting Soviet penetration Western Hemisphere through Castro regime in Cuba.

XXX

FYI: Measures proposed MATO and GAS as reported separate telegram today (pouched to action posts) would supplement but not remove need for foregoing.

NOTE: Pouched by DCT-

TRID :

RUSK